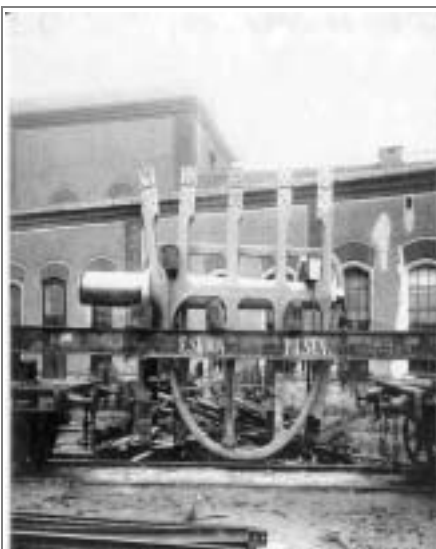


## Company History



In 1859, Count Wallenstein-Vartenberk set up a branch of his foundry and engineering works in Plzeň. The output of the plant, employing over a hundred workers, included machinery and equipment for sugar mills, breweries, mines, steam engines, boilers, iron bridge structures, and railway facilities. In 1869, the plant was taken over by Emil Škoda, an industrious engineer and dynamic entrepreneur.

<-- Emil Škoda (1839 - 1900), founder of the Škoda Works in Plzeň



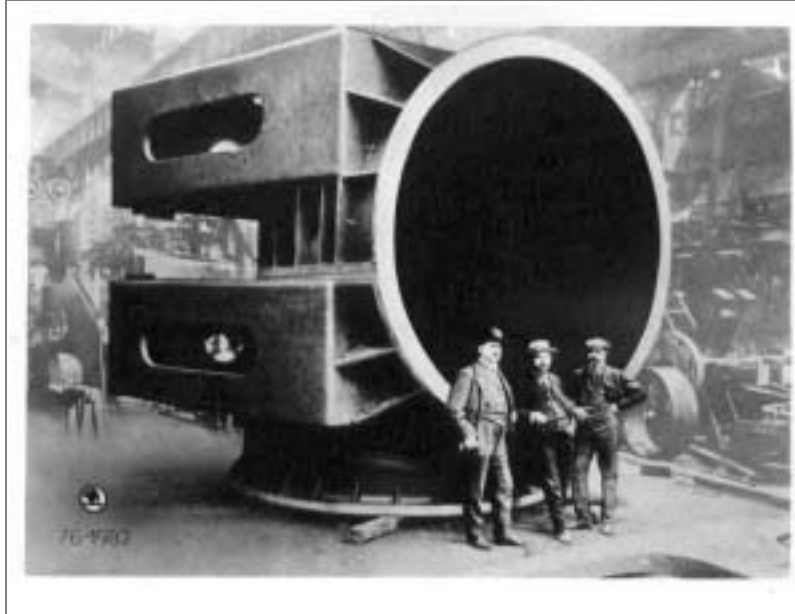
Škoda was quick to expand business, and in the 1880s founded what was then a very modern steelworks capable of delivering castings weighing dozens of tons. Steel castings and, later, forgings for larger passenger liners and warships went on to rank alongside the sugar mills as the top export branches of Škoda's factory.

<-- Casting of the rudder frame for the Japanese warship Mikasa (1900)



In 1899, the ever expanding business was transformed into a joint-stock company, and before the First World War Škoda Works became the largest arms manufacturer in Austria-Hungary. It was a navy and army contractor, mainly supplying heavy guns and ammunition.

<-- Guns for the Austro-Hungarian navy (1904)



Exports included castings, such as part of the piping for the Niagara Falls Power Plant or for the Suez Canal sluices, as well as machinery for sugar mills in Turkey, breweries throughout Europe, and guns for the Far East and South America.

<-- Casting of part of the piping for the Niagara Falls Power Station (1905)



The First World War brought a drop in the output of peacetime products. Huge sums were invested into expanding production capacities. By this time, Škoda Works already held a majorities in a number of companies in the Czech Lands and abroad that were not involved in arms manufacture. In 1917, the company had 35,000 employees in Plzeň alone.

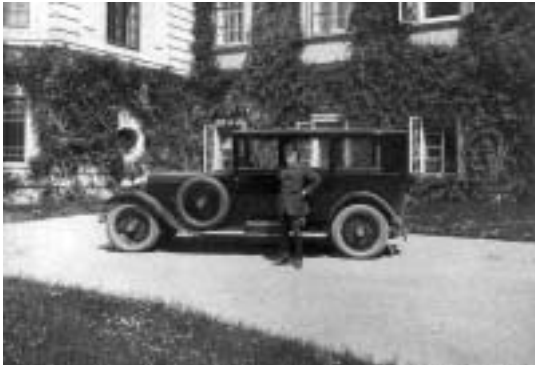
<-- 380 mm calibre mortar in firing position (1916)



Following the emergence of the Czecho-Slovak Republic in 1918, in the complex economic conditions of post-war Europe the company was transformed from what was exclusively an arms manufacturer into a multi-sector concern. In addition to traditional branches, the production programme embraced a number of new concepts, such as steam (and later electric) locomotives...

<-- Locomotives for Romania State Railways (1921)

...freight and passenger vehicles...



The luxury ŠKODA - HISPANO SUIZA for President T.G. Masaryk (1926)



ŠKODA 606 truck in Iran (1936)

...aircraft, ships, machine tools, steam turbines, power-engineering equipment, etc.



Casting of the rudder frame for the French passenger ship Normandie (1933)



Turboset at Ervěnice Power Station (1929)

In 1923, the company's world-famous registered trademark - the winged arrow in a circle - was entered in the Companies Register. The deteriorating political situation in Europe saw arms production rise again in the mid-thirties.



AVIA B 534 fighter plane for the Czechoslovak Army (1933)



150 mm calibre howitzer 16/19 (1934)



The Second World War and the company's forced integration into the German weapons programme led to serious damage at the Works themselves (70% of the company complex was destroyed by Allied bombing in April 1945) and the loss of several foreign markets.

<-- Škoda Works after the bombing raid of 25 April 1945.

In 1945, the company was nationalized. Škoda Works was gradually split up into different sections (e.g. the car works in Mladá Boleslav, the aircraft plant in Prague, factories in Slovakia, and other plants producing food-industry equipment). The company's main task now was to produce equipment for heavy engineering, capital construction in the industrial sector, public transportation, and power engineering. Most exports were headed towards the Eastern Bloc.



Electric locomotive capable of 8,000 KW output and a speed of 200 kph, built for the USSR (1977)



Mělník III Thermal Power Station, with a 500 MW turboset (1981)



The ŠKODA WD 200 horizontal drilling and milling machine won the Grand Prix at Expo 58 in Brussels

Following the change in political climate in 1989, ŠKODA started along the path of privatization, and used this time to come up with an optimal production programme, make new business contacts, and look for markets other than those that had so far been its priority (and only) markets, i.e. the Comecon countries and the Soviet Union, which collapsed after 1989.



14 Tr E trolley-bus for urban transportation in Dayton, Ohio (1996)



Astra low-floor tram (1997)

In 1992, the company was privatized by the so-called Czech method. It began expanding its production activities (e.g. by acquiring the TATRA and LIAZ vehicle works and constructing a plant to produce aluminium drinks cans). This expansion put the company's financial stability in jeopardy. In 1999, it concluded a standstill agreement with its main creditor banks, and restructuring of the entire capital structure of the Škoda group was launched. The result was legal and financial stability at the company. Now the sectoral restructuring of the production companies in the group is under way. In April 2000, ŠKODA HOLDING a.s. took over at the helm, controlling primary nineteen subsidiaries and most product lines (Creation and Development of ŠKODA HOLDING a.s. and Results of Products Lines Analysis).